

**ND ASSOCIATION OF COUNTIES
PROGRAM SAVINGS FUND
State Investment Board
Balance Sheet
As of 6/30/2008**

	As of <u>6-30-08</u>	As of <u>6-30-07</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 268,804	\$ 302,728
INTERNATIONAL EQUITIES	76,233	86,932
DOMESTIC FIXED INCOME	416,865	419,158
INVESTED CASH (NOTE 1)	<u>41,265</u>	<u>43,033</u>
 TOTAL INVESTMENTS	 803,167	 851,851
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>509</u>	<u>598</u>
 TOTAL RECEIVABLES	 509	 598
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	24,053	141,155
 TOTAL ASSETS	 <u>\$ 827,729</u>	 <u>\$ 993,604</u>
 LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	24,053	141,155
INVESTMENT EXPENSE PAYABLE	<u>1,481</u>	<u>923</u>
 TOTAL LIABILITIES	 25,534	 142,078
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	851,526	526,560
CASH IN DURING YEAR (NOTE 3)	0	250,000
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>(49,331)</u>	<u>74,966</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>802,195</u>	 <u>851,526</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 827,729</u>	 <u>\$ 993,604</u>

**ND ASSOCIATION OF COUNTIES
PROGRAM SAVINGS FUND
State Investment Board
Profit and Loss Statement
For the Month Ended 6/30/2008**

	Month Ended <u>6-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 2,476	\$ 29,572
SECURITIES LENDING INCOME	<u>61</u>	<u>2,631</u>
	2,537	32,203
 GAIN ON SALE OF INVESTMENTS	 9,515	 156,472
LOSS ON SALE OF INVESTMENTS	<u>14,877</u>	<u>156,588</u>
 NET GAINS (LOSSES) INVESTMENTS	 (5,362)	 (116)
 INVESTMENT EXPENSES	 962	 3,861
SECURITIES LENDING EXPENSES	33	2,356
 NET INVESTMENT INCOME	 (3,820)	 25,870
 NET APPREC (DEPREC) MARKET VALUE	 (30,037)	 (75,275)
MISCELLANEOUS INCOME/(EXPENSE)	<u>11</u>	<u>74</u>
 TOTAL INVESTMENT INCOME	 <u>(33,846)</u>	 <u>(49,331)</u>
 NET INCREASE (DECREASE)	 <u>\$ (33,846)</u>	 <u>\$ (49,331)</u>

ND ASSOCIATION OF COUNTIES
Notes To Financial Statements
June 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.